

Message Text

UNCLASSIFIED

PAGE 01 STATE 182530
ORIGIN ARA-14

INFO OCT-01 ISO-00 EB-08 COME-00 XMB-04 OPIC-06 L-03
TRSE-00 /036 R

DRAFTED BY ARA/ECA:JNBUMPUS
APPROVED BY ARA/ECA:RWZIMMERMANN
-----099698 191900Z /43
O 191850Z JUL 78
FM SECSTATE WASHDC
TO AMEMBASSY BUENOS AIRES IMMEDIATE

UNCLAS STATE 182530

E.O. 11652: N/A

TAGS: BGEN, AR

SUBJECT: X-M BANK AND ALLIS-CHALMERS GENERATORS

1. EXPORT-IMPORT BANK HAS SENT THE FOLLOWING LETTER TO
ALLIS-CHALMERS REGARDING SALE OF 20 HYDRO-TURBINES FOR
YACYRETA: QUOTE:

MR. DAVID C. SCOTT
CHAIRMAN, CHIEF EXECUTIVE
OFFICER AND PRESIDENT
ALLIS-CHALMERS CORPORATION
MILWAUKEE, WISCONSIN

RE: ARGENTINA - ENTIDAD BINACIONAL YACYRETA

WE HAVE GIVEN CAREFUL CONSIDERATION TO YOUR REQUEST FOR A
LETTER OF INTEREST IN CONNECTION WITH THE SALE OF 20
LARGE HYDRO-TURBINES, GOVERNORS AND GENERATORS TO ENTIDAD
BINACIONAL YACYRETA, A BINATIONAL COMMISSION OF ARGENTINA
AND PARAGUAY. FROM AN ECONOMIC AND FINANCIAL POINT OF
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STATE 182530

VIEW, THE PROPOSED TRANSACTION IS CLEARLY THE KIND OF
PROJECT IN ARGENTINA WHICH WE WOULD BE PREPARED TO CONSIDER
FAVORABLY FOR FINANCIAL ASSISTANCE AND TO ISSUE A LETTER
OF INTEREST. BECAUSE WE ARE REQUIRED BY STATUTE TO TAKE
INTO ACCOUNT THE OBSERVANCE AND RESPECT FOR HUMAN RIGHTS IN

THE COUNTRIES RECEIVING THE EXPORTS WE SUPPORT WITH LOANS

OR FINANCIAL GUARANTEES, WE HAVE BEEN IN CLOSE CONTACT WITH THE DEPARTMENT OF STATE TO DISCUSS THE STATUS OF HUMAN RIGHTS IN ARGENTINA. WE HAVE BEEN INFORMED THAT THE CURRENT HUMAN RIGHTS SITUATION IN ARGENTINA IS UNDER CONTINUING REVIEW AND THE DEPARTMENT OF STATE HAS ADVISED AGAINST ISSUANCE OF A LETTER OF INTEREST AT THIS TIME BECAUSE OF THIS SITUATION.

WE HOPE, HOWEVER, THAT BY THE TIME WE HAVE RECEIVED ALL THE ECONOMIC, FINANCIAL AND TECHNICAL DATA NECESSARY TO QUALIFY FOR A LOAN, WHICH WE INTEND TO PROCESS AS EXPEDITIOUSLY AS POSSIBLE, THE HUMAN RIGHTS SITUATION IN ARGENTINA WILL HAVE PROGRESSED TO THE POINT WHERE IT WILL BE POSSIBLE TO ISSUE A LETTER OF INTEREST.

JOHN L. MOORE, JR.
PRESIDENT AND CHAIRMAN

END QUOTE.

STORY ABOUT THE LETTER APPEARED IN WALL STREET JOURNAL JULY 19 AND DEPARTMENT IS PREPARING A STATEMENT FOR THE SPOKESMAN WHICH WILL BE FORWARDED TO YOU AS SOON AS IT IS CLEARED. CHRISTOPHER

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 19 jul 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978STATE182530
Document Source: CORE
Document Unique ID: 00
Drafter: JNBUMPUS
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780296-0903
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780742/aaaabizu.tel
Line Count: 85
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 30803570-c288-dd11-92da-001cc4696bcc
Office: ORIGIN ARA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29 mar 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1953339
Secure: OPEN
Status: NATIVE
Subject: X-M BANK AND ALLIS-CHALMERS GENERATORS
TAGS: BGEN, AR
To: BUENOS AIRES
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/30803570-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014